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In the

Supreme Court of the United States

OCTOBER TERM, 1965.

NELMOR CORPORATION,

Plaintiff-Respondent,

vs.

JERVIS CORPORATION,

Defendant-Petitioner.

On Petition For A Writ Of Certiorari To The United States Circuit Court Of Appeals For The Sixth Circuit.

BRIEF FOR RESPONDENT IN OPPOSITION

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BRIEF FOR RESPONDENT IN OPPOSITION

The Respondent, Nelmor Corporation, was plaintiff and appellee in the courts below.

STATEMENT OF THE CASE

The Jacobson patent in suit No. 2,931,245, owned by Petitioner, Jervis Corporation, relates to a mechanically operated rear view mirror for automobiles which is mounted on a fender or door of an automobile and is adjusted from inside of the automobile through the use of three or more wires or cables which are moved by means of a control knob mounted on the dashboard. The alleged novel feature of the patented rear view mirror was the use of coil springs to keep the wires taut or tensioned. The patent contained 24 claims.

Respondent, a manufacturer of rear view mirrors for automobiles, after being charged with infringement of Petitioner's patent, filed a petition for a declaratory decree praying that the *entire patent, including all the claims thereof,* be declared invalid and that Respondent be held not to infringe said patent (R.4a-7a).

Petitioner's answer denied that the claims of the patent were invalid and void (R.9a, Par. 13, 15), and asserted by way of counterclaim that Claims 2 and 20 were infringed and prayed for "A Judgment finding U.S. Letters Patent No. 2,931,245 valid and infringed by the devices of plaintiff" (R. 11a).

Respondent's answer to the counterclaim alleged that all of the claims of U.S. Patent No. 2,931,245, and more particularly Claims 2 and 20, were invalid and void (R. 13a) and prayed that said patent, including Claims 2 and 20 be declared invalid (R. 14a). Issue was thus joined on the pleadings on *all of the claims* of the patent in suit.

The Petitioner admits that the entire patent was placed in issue by the pleadings (p. 6).

On the question of infringement, only Claims 2 and 20 were in issue and with respect to these two claims Respondent contended that:

(1) These claims were invalid because they were anticipated element for element and function for function by the prior art, and

(2) They were not infringed due to file wrapper estoppel, because during the proceedings in the Patent Office the Petitioner had so limited these claims that they excluded the rear view mirror made by the Respondent.

On the issue of invalidity, all of the remaining claims of the patent were included and Respondent asserted that:

(1) The structure and function set forth in each of the remaining claims did not involve invention over the prior art, and

(2) Petitioner had misled the Patent Office as to the structure and function of the principal prior art patent, namely, the Hunt Patent No. 433,112. Petitioner erroneously represented to the Patent Office and erroneously convinced the Patent Office that the device of the prior art Hunt patent was unstable and inoperative for the purpose intended. As a consequence of said erroneous representations by the Petitioner, the principal prior art reference was withdrawn by the Patent Office and the claims of the Jacobson patent in suit were allowed.

The Petitioner made similar assertions before the trial Court and attempted through the testimony of its expert witness to establish that the device of said principal prior art Hunt patent was unstable. However, Petitioner's expert was compelled to admit that he was in error, that the representations made to the Patent Office were in error, and that the principal prior art reference was a stable device.

The trial Court in its written opinion invalidated specifically Claims 2 and 20 of the patent in suit on the ground that these claims were anticipated by certain of the prior art patents which the Court reviewed in detail. The Court further found that the entire patent was invalid for lack of novelty and invention, and that Claims 2 and 20 were not infringed, even if the claims were valid, in view of the file wrapper estoppel.

With respect to the erroneous statements made to the Patent Office by Petitioner, the trial Court stated (R. 57a):

"The Patent Office cited Hunt in the Jacobson patent. Although defendant (Petitioner) acknowledged to the Patent Office that tensioning by use of resilient means was not novel, it sought to distinguish Hunt by claiming that the Hunt device was inherently unstable except in neutral or centered position and therefore vibration of a moving automobile would cause such device to return to center. This distinction proved erroneous on trial. Plaintiff (Respondent) introduced a physical embodiment of the Hunt patent which was operated and demonstrated to be a stable device. Moreover, defendant's expert, upon cross-examination, admitted that spring 56 at the center of the controlled member can be adjusted so as to render the device stable in all positions. *It is obvious that the testimony of the defendant to the Patent Office concerning Hunt was erroneous.*"

The Court of Appeals in affirming the District Court made the following reference to the aforementioned:

"The Patent Office twice rejected Jacobson's application for patent on the ground that his device was unpatentable over Hunt. The Examiner was finally persuaded to allow the patent because of the claim then advanced that Hunt's device was unstable and not suitable for a rearview mirror. Jervis (Petitioner) maintained this position until the last day of the trial of the case at bar when it was otherwise demonstrated by the use of a model. Jervis' expert witness finally admitted upon cross-examination that the spring 56 located at the center of the controlled member in Hunt could be adjusted so as to render the device stable in all positions. This demonstration and admission, in our judgment, was the turning point of the trial. *It is very doubtful that the Patent Office would ever have issued the patent had it known that the claims of instability of Hunt, advanced by Jacobson, were incorrect.*" (Emphasis ours)

The erroneous statements made by Petitioner to the Patent Office were made in relation to almost all of the claims of the patent in suit and were not limited merely to Claims 2 and 20.

The Petitioner is not praying to review the judgment insofar as it relates to the invalidity or non-infringement of Claims 2 and 20 (p. 1).

REPLY TO PETITIONER'S FIRST QUESTION

The Issue on Invalidity Embraced All of the Claims of the Patent and was Not Limited to Claims 2 and 20.

While the Petitioner admits that the pleadings placed all of the claims in issue, it contends that during the trial, by understanding, acquiescence and agreement between counsel and the Court, the issues were limited only to Claims 2 and 20. This contention was rejected by the trial Court and by the Court of Appeals. This contention is wholly incorrect, as evidenced by the contrary action of Petitioner during the trial and after the conclusion of the trial when Petitioner submitted findings of fact and conclusions of law to the Court for adoption, which findings were directed to sustaining the validity of the entire patent and not merely Claims 2 and 20.

The trial of the patent question consumed seven days and there is over 400 pages of printed testimony in the record. Every structural and functional detail of Petitioner's commercial device was gone into by Petitioner's and Respondent's experts at the trial. These details not only included the structural elements and functions of Claims 2 and 20, but included all of the structural elements, features and functions of each of the claims of the patent in suit.

Petitioner's attorney, Mr. William Morriss, stated at the trial (R. 152a):

> "Mr. Morriss: This patent belongs to the Jervis Corporation (Petitioner). It contains some 20-odd claims. All of those 20-odd claims, dominate or cover the Jervis unit. In other words, we could go right down the line to our narrowest claim, nuts and bolts type claim, down to the end of the line, and we would be able to read that claim on our structure, that is, the commercial structure that we produce."

The trial Court in its supplemental opinion stated (R. 65a):

> "As noted in the initial opinion, the court at trial examined and studied the device manufactured by the defendant (Petitioner) which incorporated the teachings of the entire patent."

Petitioner's expert Rice testified that Petitioner's commercial unit in evidence embodied the patent in suit (446a, 447a). Petitioner introduced considerable testimony concerning every element and function of its device, including such elements as the sliding pins, the springs around the pins which produced the tension, and the sheathing or casing around the cables. Petitioner's expert Rice, the patentee Jacobson, and Respondent's expert Warhol each testified concerning these elements and their functions (R. 70a-74a, 82a, 158a, 159a, 162a, 168a, 233a, 234a, 236a-240a, 243a, 259a, 260a, 272a, 277a, 282a, 378a, 379a, 449a-453a). The Chart (R. 61a) which is attached to the Court's opinion illustrates Petitioner's commercial unit, and includes the sliding pins and the coil springs around the pins. Petitioner's expert made a force diagram (271a, 272a) of Petitioner's device which utilized the sliding pins and the coil springs thereon.

The trial Court had the benefit of extensive testimony concerning the structure and operation of Petitioner's commercial device, and, accordingly, knew what was embraced in each and every one of the 24 claims of the patent in suit. Some claims called for "tensioning means," others called for "coil springs" as the tensioning means; some claims called for "sliding pins," others called for "casings around the cables," but each and every one of these elements was included in Petitioner's commercial device. Twenty of the 24 claims of the patent, namely, Claims 1, 3, 4, 5, 6, 7, 8, 10, 13, 14, 15, 16, 17, 18, 19, 21, 22 and 23 called for "resilient means" similar to Claims 2 and 20. The remaining four claims, namely, 9, 11, 12 and 24 specified "springs" as the "resilient means." Claim 12 alternately used the terms "springs" and resilient means" to designate the same thing. Claims 4, 9 and 19 included the sliding pin, and Claims, 1, 3-9 and 18 included the sheath or casing enclosing the cable.

The Court, basing its findings on ample evidence, was fully justified in stating in its supplemental opinion that Petitioner's device incorporated the teachings of the entire patent (R. 65a). Thus, the trial Court fully considered and evaluated each of the claims of the patent, not merely Claims 2 and 20, and held all of the 24 claims of the patent invalid.

If, as Petitioner contends, Claims 2 and 20 were the only claims in issue, then there would have no need for all of the testimony concerning the other features, such as the sliding pins, springs around the pins, and the sheathing or covering around the wires, which features are included in the other claims but are not included in Claims 2 and 20.

In order to prevail below Petitioner had to sustain the validity and infringement of Claims 2 and 20. The thrust

of Petitioner's case, therefore, was directed to Claims 2 and 20 and consequently a substantial portion of the testimony was related to the said two claims. Manifestly, this did not and could not rule out the testimony relative to the other claims of the patent which were placed in issue by the pleadings. At no time was there any understanding, acquiescence or agreement between counsel and the Court which limited the issue only to Claims 2 and 20 and ruled out any consideration of the issue of invalidity of the remaining claims. Certainly, the District Court never recognized or was aware of the existence of any such agreement or understanding, for in addition to holding Claims 2 and 20 invalid and non-infringed, it held each of the claims of the patent invalid and void. In fact, after the trial, when counsel for both sides were requested by the Court to present proposed findings and conclusions of law, Petitioner's counsel at that time, fully cognizant of what had transpired during the trial and obviously fully aware that there was no understanding or agreement to limit the issues, submitted proposed findings of fact and conclusions of law which did not limit the issue of validity merely to Claim 2 and 20 but in fact submitted proposed findings to the effect that the patent which included all of the claims was valid. The trial Court in its supplemental opinion so stated (R. 65a).

After the District Court had rendered its opinion on April 27, 1964, holding all of the claims of the patent invalid, Petitioner's attorney questioned the scope of the Court's finding of invalidity of the entire patent. On May 12, 1964 the Court filed a supplemental opinion which stated that the proofs at the trial were not limited to Claims 2 and 20 but embraced *all of the claims* of the patent. The supplemental opinion made reference to the specific pages of the typewritten record dealing with the

structure, elements and functions found in the other claims and not in Claims 2 and 20. The opinion further stated that after the trial of the case the Petitioner had submitted drafts of findings of fact in which it sought to sustain the validity of the *entire patent* and not merely Claims 2 and 20. The proposed findings submitted by Petitioner at the conclusion of the trial clearly contradicts its present position that there was an understanding, acquiescence or agreement to limit the issue to Claims 2 and 20.

Petitioner quotes several statements made by its trial attorney Mr. Morriss that Claims 2 and 20 were the only claims in issue and asserts that in one instance Respondent's attorney and the Court made a positive statement limiting the issue to Claim 2 and 20. These quotations in the Petition are incomplete and are taken out of context from the testimony which preceded and followed the quotations. In the several instances where Petitioner's attorney referred to Claims 2 and 20 as the only claims in issue, the witnesses were dealing with the question of infringement and the meaning of the language of those two claims as interpreted by the file history proceedings. These statements by Petitioner's attorney could not be binding on Respondent unless Respondent acquiesced—and there was no acquiescence, even if in fact there were an attempt by Petitioner to limit the issues to the two claims.

The single quotation reproduced on pages 13, 14 of the Petition, which Petitioner alleges was a positive agreement by counsel and the Court to limit the issues to Claims 2 and 20 does not sustain Petitioner's position. At that point in the trial Claims 2 and 20 were beng discussed and Petitioner's expert Rice was being questioned with reference to the file history proceedings in the Pat-

ent Office and whether the interpretation placed on certain language of Claims 2 and 20 by the inventor Jacobson, in view of the prior art, limited Claims 2 and 20 and hence, ruled out infringement of these claims by Respondent. This was the only question being considered at that point and Petitioner's statement that Claims 2 and 20 were the only claims had reference solely to the question of file wrapper estoppel and of infringement. No other claims were involved with file wrapper estoppel and infringement and it was correct to state that Claims 2 and 20 were the only claims on that particular issue. There is no suggestion in the above noted quotation that the remaining claims of the patent were not in issue on the question of validity. Throughout the trial each and every one of the claims of the patent was under attack. If the issues were limited to Claims 2 and 20 then why did Petitioner find it necessary to introduce testimony dealing with other structural details defined in all the other claims and not contained in Claims 2 and 20? It was abundantly clear to all counsel and to the Court that the issues were not so limited, and the Courts below so held.

The cases cited by Petitioner are not in point. In the Popcorn case there was an express stipulation between the parties at the beginning of the trial that the issues be limited to certain claims. In the other cases cited the Courts held that the parties affirmatively advised the Courts that certain claims were not in issue. The facts here are not comparable to those in the cases referred to.

In *Altvater* v. *Freeman,* 319 U.S. 359, this Court held that where a counterclaim raises the question of invalidity of the patent, the Court must decide the validity of the patent and cannot dismiss the complaint on finding non-infringement.

In *Trico Products* v. *Anderson,* 147 F(2) 721, C.C.A.7, the defendant interposed a counterclaim for declaratory judgment of invalidity and non-infringement which the District Court dismissed. The Court of Appeals held that the District Court erred in dismissing the counterclaim since the defendant was entitled to affirmative relief.

In *Allegheny Steel* v. *Elting,* 141 F(2) 148, C.C.A.7, the plaintiff filed a petition for declaratory decree to declare the patent invalid and non-infringed. The Appellate Court stated:

> "The validity of the mechanical patent was brought to issue by plaintiff's petition and it could not be eliminated by a mere amendment of appellant's answer and counterclaim. A court of equity having jurisdiction, retains such jurisdiction for all purposes, and it was not precluded from exercising that jurisdiction by withdrawal of the charge of infringement contained in appellant's answer and counterclaim."

In *Kalo Inoculent Co.* v. *Funk Bros. Seed Co.,* 161 F(2) 981, 991, C.C.A.7, plaintiff, the patent owner, brought suit for infringement of certain claims of a patent. Defendant counterclaimed seeking declaratory judgment upon all of the claims. The Appeal Court held that it was error for the District Court to pass upon only certain claims, since that did not dispose of all of the issues in controversy between the parties, which were all of the claims of the patent. (Reversed on other grounds, 333 U.S. 118).

In *Lackner Co.* v. *Quehl Sign,* 145 F.(2), 932 C.C.A.6, the Court of Appeals held that the District Court did not err in holding the patent invalid where the defendant filed a counterclaim attacking the validity of the patent and asking for a determination on validity, after the patent owner had moved to dismiss the suit with prejudice and

offered to grant the infringer a free license. The Court held that a controversy existed which had to be adjudicated and also discussed the public interest involved in the determination of the validity of a patent.

In *Kawneer Co.* v. *Pittsburgh Plate Co.*, 103 F.S. 671 D.C. W.D. Mich., S.D., the District Court made a comprehensive analysis of the law and authorities on the subject. The Court held that the charge that the defendant was infringing the patent was a general charge of infringement going to the entire patent, that the defendant could put in issue the validity of all the claims, and that the patent owner could not restrict consideration only to several of the claims of the patent.

In *Brunswick Balke* v. *American Bowling & Billiard Corp.*, 150 F(2) 69, C.C.A.2, the District Court held claim 1 of the patent not infringed and did not consider the defense of invalidity or the counterclaim of the defendant. The Court of Appeals held that the District Court erred in not considering the issue of validity of the patent since it was raised in the counterclaim and since the public interest was involved.

In *Airolite Co.* v. *Fiedler*, 147 F(2) 496, C.C.A.2, the Court of Appeals held that all of the claims should have been held invalid in accordance with the prayer of the counterclaim.

REPLY TO PETITIONER'S SECOND QUESTION

The Original Opinion Invalidated All of the Claims

The trial Court's original opinion filed April 27, 1964 dealt with all of the claims of the patent. The Court's original opinion stated that the pleadings brought the validity of the patent in issue (R. 52a). The Court stated (R. 52a):

"That even if the patent were valid there has been no infringement."

It further stated (R. 54a):

"The alleged novelty of the *patented device* is the tightening of the cable or wires by the use of coil springs so as to keep each in a state of equal tension."

and continues:

"As will be seen from an analysis of the prior art, infra, the defendant's *patent* lacks both novelty and invention."

The opinion proceeds to analyze the prior art patents on which the Court based its finding of invalidity of the patent in suit and concluded (R. 58a):

"It must be concluded that the *patent in suit* is invalid for want of inventiveness." (Emphasis ours)

The foregoing statements in the trial Court's original opinion filed on April 27, 1964 clearly invalidated the entire patent and not merely Claims 2 and 20. This opinion constituted the Court's findings of fact and conclusions of law and was very detailed and specific. It pointed out the alleged novelty of the patent and specifically where it was found in the prior art. The Court attached to its opinion (R. 62a) a copy of the drawings of the Hunt prior art patent. It also attached a chart (R. 61a) illustrating Petitioner's commercial device, which was fully discussed under the first issue herein, and which embodied all of the elements, features and functions embraced in all 24 claims of the patent in suit. These features included "springs," "sliding pivot pins," and casings around the cables," which were recited in the other claims but not in Claims 2 and 20.

On April 29, 1964, two days after the Court filed its original opinion, the Court entered its judgment, holding (R. 63a):

> "3. *All of the claims* of United States Letters Patent No. 2,931,245 are invalid, void and lacking invention over the prior art, as is required by the provisions of 35 U.S.C. §103.
>
> 4. Claims 2 and 20 of United States Letters Patent No. 2,931,245 are invalid and void as being directly anticipated, element for element and function for function, by the prior art."

The trial Court's findings in its original opinion of April 27, 1964 were detailed and specific and supported the judgment holding all 24 claims of the patent invalid.

The Court of Appeals affirmed the District Court and stated:

> "Jervis (Petitioner) contends that the findings adopted by the District Court were insufficient to support the judgment declaring the entire patent invalid. It maintains that the evidence at the trial was directed only to Claims 2 and 20 of the patent and not to the entire patent. It points out that shortly after the original opinion was filed the District Judge substituted a new page 2 therein.
>
> A review of the record indicates that the validity of the entire patent, and not merely Claims 2 and 20, was in issue. * * * Although the evidence in the present case was directed principally to Claims 2 and 20 and to the issue of infringement, there was also evidence from which the District Judge could and did declare the entire patent invalid. We think his findings of fact were adequate and were supported by substantial evidence."

REPLY TO PETITIONER'S THIRD QUESTION

The Original Opinion Supports the Judgment Holding All the Claims Invalid.

The Petitioner appears to question the propriety of the trial Court in correcting a few words on one page of its original opinion to avoid a misunderstanding of the Court's intention. As previously pointed out, the original opinion, before the correction, clearly invalidated all of the claims of the patent. The judgment entered two days later invalidated all of the claims of the patent and adopted the opinion of April 27, 1964 as the Court's findings of fact and conclusions of law. The supplemental opinion confirmed that all of the claims were in issue and recited Petitioner's attempt to have all of the claims held valid.

The trial Court had the right to correct any language in its opinion and Petitioner has not cited a single case which deprives the Court of this right. Petitioner in its brief, as well as in its oral arguments before the Court of Appeals, contended, as it does here, that the trial Court's opinion does not support the judgment holding all of the claims invalid, in view of the correction made by the trial Court. The Court of Appeals held that the trial Court's findings were adequate and were supported by substantial evidence. It further stated:

> "We find nothing improper in the trial Judge making a few changes in his opinion after it was filed, when minor inaccuracies were called to his attention. Copies of the substituted page were immediately sent to all counsel of record."

CONCLUSION

The District Court and the Court of Appeals unanimously have held that all of the claims of Patent No. 2,931,245 were in issue and that all of said claims are invalid. The Courts below have followed the standard, accepted, and usual course of judicial proceedings in such cases. The Petition does not set forth any basis upon which this Court should grant certiorari.

There is no conflict of decisions. There is no important question of Federal Law. The decisions below are clearly correct.

For the foregoing reasons it is respectfully submitted that this petition for a writ of certiorari should be denied.

Respectfully submitted,

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